

23. REJECTION OF BID FOR OIL AND GAS LEASE, SUBMERGED LANDS, VENTURA COUNTY - W.O. 6027 (PARCEL 27A).

During consideration of Calendar Item 19 attached, it was noted that a letter had been directed to the Chairman of the Commission by the Atlantic Richfield Company, protesting the recommendation of the Commission's staff that Atlantic's bid for Parcel 27A be rejected, and giving reasons therefor.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, THE FOLLOWING RESOLUTION WAS ADOPTED:

THE COMMISSION, IN ACCORDANCE WITH THE PROVISIONS OF SECTION 6836 OF THE PUBLIC RESOURCES CODE, DETERMINES THAT TO ACCEPT THE BID MADE BY THE ATLANTIC REFINING COMPANY ON APRIL 14, 1966, FOR A LEASE FOR THE EXTRACTION OF OIL AND GAS FROM 5,362 ACRES MORE OR LESS OF SUBMERGED LANDS DESIGNATED AS W.O. 6027 (PARCEL 27A), VENTURA COUNTY, AS DETAILED IN THE NOTICE OF INTENTION, W.O. 6027, PUBLISHED FEBRUARY 3, 1966, AND FEBRUARY 10, 1966, IS NOT FOR THE BEST INTERESTS OF THE STATE AND THAT THE BID BE REJECTED.

Attachment

Calendar Item 19 (1 page)

19.

REJECTION OF BID FOR OIL AND GAS LEASE, SUBMERGED LANDS, VENTURA COUNTY - W.O. 6027 (PARCEL 27A).

On April 14, 1966, one bid was received in response to a published Notice of Intention of the State Lands Commission to enter into a lease for the extraction of oil and gas from 5,362 acres more or less of submerged lands designated as W.O. 6027 (Parcel 27A), Ventura County. This lease offer was authorized by the Commission on January 26, 1966 (Minute Item 47, page 12,214).

The cash-bonus payment offered in the bid submitted by The Atlantic Refining Company was \$31,113.00. The bid was reviewed by the staff as to technical sufficiency and economic factors. Section 6836 of the Public Resources Code provides that if, in the opinion of the Commission, the acceptance of the highest bid is not for the best interests of the State, the Commission may reject all bids.

IT IS RECOMMENDED THAT THE COMMISSION, IN ACCORDANCE WITH THE PROVISIONS OF SECTION 6836 OF THE PUBLIC RESOURCES CODE, DETERMINE THAT TO ACCEPT THE BID MADE BY THE ATLANTIC REFINING COMPANY ON APRIL 14, 1966, FOR A LEASE FOR THE EXTRACTION OF OIL AND GAS FROM 5,362 ACRES MORE OR LESS OF SUBMERGED LANDS DESIGNATED AS W.O. 6027 (PARCEL 27A), VENTURA COUNTY, AS DETAILED IN THE NOTICE OF INTENTION, W.O. 6027, PUBLISHED FEBRUARY 3, 1966, AND FEBRUARY 10, 1966, IS NOT FOR THE BEST INTERESTS OF THE STATE AND THAT THE BID BE REJECTED.